

COASTAL CONSERVANCY

Staff Recommendation

March 8, 2007

**SANTA ROSA CREEK WATERSHED ENHANCEMENT PLAN
SAN LUIS OBISPO COUNTY**

File No. 07-013-01

Project Manager: Timothy Duff

RECOMMENDED ACTION: Authorization to disburse up to \$75,000 to the Land Conservancy of San Luis Obispo County for preparation of a watershed enhancement plan for the Santa Rosa Creek watershed, San Luis Obispo County.

LOCATION: Santa Rosa Creek extends from its headwaters in the Santa Lucia Mountains down through the town of Cambria to the Pacific Ocean in northern San Luis Obispo County (Exhibit 1).

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Regional Location Map

Exhibit 2: Site Photos

Exhibit 3: Recent Enhancement Projects

Exhibit 4: Letters of Support

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-31270 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of up to seventy five thousand dollars (\$75,000) to the Land Conservancy of San Luis Obispo County (grantee) for preparation of a watershed enhancement plan for the Santa Rosa Creek watershed, subject to the condition that prior to the disbursement of any funds, the grantee shall submit for the review and approval of the Executive Officer of the Conservancy a work program, schedule, budget and the names of any subcontractors to be employed in preparation of the enhancement plan.”

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the purposes and criteria set forth in Chapter 6 of Division 21 of the Public Resources Code (Sections 31251 to 31270) regarding enhancement of coastal resources.
 2. The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001.
 3. The Land Conservancy of San Luis Obispo County is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code, whose purposes are consistent with Division 21 of the Public Resources Code.
 4. The project area has been identified in San Luis Obispo County's Local Coastal Plan as requiring public action to resolve existing or potential resource protection problems."
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PROJECT SUMMARY:

Conservancy approval would authorize the disbursement of up to \$75,000 to the Land Conservancy of San Luis Obispo County (LCSLO) for the preparation of a watershed enhancement plan for the Santa Rosa Creek Watershed in northern San Luis Obispo County. Santa Rosa Creek is considered to be the premier steelhead fishery in the southern reaches of the steelhead range (Exhibit 2). However, it is one of the few watersheds in this region that has not benefited from a watershed enhancement plan. Because the watershed is largely undeveloped, and the resource needs are regionally distinct, it offers a unique opportunity to greatly improve habitat for southern steelhead.

Today, the local population of southern steelhead trout is threatened by long standing habitat disturbance from historic mining, vineyards, grazing, urban runoff in the creek's lower reaches, and the resulting lack of quality habitat. The plan will identify and describe specific high priority properties for acquisition or restoration, and establish the foundation to pursue implementation following the plan's completion. In addition to identifying enhancement projects that address erosion control, fish passage, and in-stream habitat improvement, the plan will also describe areas where other conservation methods, such as the acquisition of water rights, could be pursued to enhance steelhead habitat. Although existing information will be used where possible to limit the need for extensive stream surveys, several specific surveys will be undertaken to support the necessary evaluation of land use practices, and to identify erosion sources.

While several local and state agencies and organizations are currently working to enhance the watershed's ecosystem, including habitat for steelhead, these activities will benefit from a coordinated plan that reduces the potential for duplicative efforts while assisting multiple agencies and organizations to address priority concerns in the watershed. A technical advisory committee will be established to assist the LCSLO in

prioritizing site-specific projects based on anticipated benefits, cost-effectiveness, and willing landowners. An implementation strategy will be developed to identify project phasing, responsible parties, potential funding sources, and anticipated permit requirements. Projects requiring short- and long-term monitoring programs will also be identified to allow for evaluation of whether goals and objectives are being met, and to meet future grant funding requirements.

Recognizing that public participation and outreach to landowners will be essential to implementing the plan's priority recommendations, several public meetings will be held to solicit input on the scope of the study and to present the draft report. Landowners will also be contacted to locate those willing to work with the planning team on developing priority projects. These steps will assure that the plan includes specific projects that are ready for implementation and have landowner support. This strategy is consistent with the watershed approach recommended by the United States Environmental Protection Agency. The EPA has adopted a flexible watershed approach throughout the United States that encourages local communities, working with public agencies, to define their own local approach to addressing watershed issues.

LCLSO, a 501(c)(3) non profit organization, has among its principal charitable purposes the preservation of land for historic, recreational, and scenic opportunities. Since 1988, the LCSLO has been coordinating the implementation of riparian and steelhead restoration programs throughout the county's coastal watersheds. Given its long-term commitment to restoration, and its historic role in coordinating the efforts of landowners, agencies, and nonprofits, the LCSLO is an ideal organization to undertake this planning effort.

Site Description: Santa Rosa Creek runs from the Santa Lucia Mountains behind the town of Cambria to the Pacific Ocean (Exhibit 1). The Santa Rosa Creek Watershed is approximately 47 square miles with perennial streams totaling 38 miles in length. The watershed has a mix of land uses including urban areas in the lower reaches, irrigated agriculture and vineyards, livestock grazing, and open space. Ninety percent of the land in the watershed is privately owned. The watershed is inhabited by several threatened and endangered species, including southern steelhead.

The watershed has excellent habitat for steelhead. According to *Trends in Juvenile Steelhead Production in 1994-2001 for Santa Rosa Creek, San Luis Obispo County, California, With Habitat Analysis and an Index of Adult Returns* prepared by Don Alley, the upper higher gradient reaches are dominated by cobble, good riparian cover and pools. The lower valley trend shows that the mean average pool depth is decreasing, indicating sedimentation. As the creek emerges from the upper canyon, the land use practices have encroached closer to the creek banks thereby diminishing the riparian corridor, causing bank failures, and leaving large, vertical scarps along the creek's edge.

Project History: In recent years the Coastal Conservancy has funded several projects to enhance the resources of Santa Rosa Creek, primarily in the lower watershed behind Cambria and below towards the coast where Santa Rosa creek drains to the Pacific Ocean

(Exhibit 3). In 2004, the Conservancy funded the preparation of designs for a bank stabilization project to reduce erosion and sediment flows to the creek. This project, the “Fiscalini Bank Stabilization Project,” was constructed in 2006. Beginning in 2005 and continuing to the present, the Conservancy has funded the preparation of designs and permit application documents for the “Ferrasci Road Bridge Replacement Project,” located immediately downstream of the above-mentioned Fiscalini project. This bridge project is scheduled to be constructed in the summer of 2007, and once installed will significantly improve the ability of steelhead to migrate through the project area.

In 2000 the Conservancy provided significant funding for the acquisition by the Cambria Community Services District (CSD) of the 425-acre “East-West Ranch” (now named the “Fiscalini Ranch Preserve”). This property features a ½-mile stretch of creek frontage between downtown Cambria and the ocean. Between 2005 and 2006, the CSD and local partners completed several projects on the “West Ranch.” A bank stabilization and creekside trail project was completed in 2005, and in 2006 two new trail projects with funding from the Conservancy were completed, including a new one-mile segment of the California Coastal Trail.

PROJECT FINANCING:

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| Coastal Conservancy: | \$75,000 |
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| Project Total | \$75,000 |
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Conservancy funds for this authorization are expected to come from the fiscal year 2005-06 appropriation to the Conservancy from Proposition 50, “The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.” These funds are allocated to the Conservancy for the purpose of protecting coastal watersheds through projects undertaken pursuant to the Conservancy’s enabling legislation (Division 21 of the Public Resources Code), including acquisition, protection and restoration of land and water resources. Funds may be used for planning and permitting associated with protection and restoration activities (Water Code Section 79570). The proposed project will assist in planning for proposed activities to restore and protect the riparian and aquatic resources of the Santa Rosa Creek watershed, and it is consistent with the Conservancy’s enabling legislation, as discussed in the “Consistency with Conservancy’s enabling legislation” section of this report, below.

In addition, under Proposition 50, any watershed protection activities financed with Proposition 50 funds must be “consistent with the applicable adopted local watershed management plan and the applicable regional water quality control plan adopted by the regional water quality control board” (Water Code Section 79507). Because the project will facilitate the restoration of fish and wildlife habitat in a coastal watershed, including habitat for the state- and federally-listed anadromous steelhead, the project is consistent with the Water Quality Control Plan for the Central Coastal Basin (adopted by the Regional Water Quality Control Board Central Coast Region in 1994 and reviewed every

three years).

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This project would be undertaken pursuant to Chapter 6 (Sections 31251-31270) of the Conservancy's enabling legislation, Division 21 of the Public Resources Code, regarding enhancement of coastal resources. Under §31251, the Conservancy may award grants to local public agencies and nonprofit organizations to enhance coastal resources that, because of natural or human-induced events, or incompatible land uses, have suffered loss of natural and scenic values. The proposed project would lead to improvements in and preservation of habitat in the Santa Rosa Creek Watershed for the benefit of threatened southern California steelhead, an important coastal resource that has been degraded by human activity.

Under §31251.2(a), the Conservancy may award grants to enhance a watershed resource that is partly outside of the coastal zone in order to enhance coastal resources within the coastal zone. The proposed project would serve to protect natural resources in the Santa Rosa Creek Watershed that are located both inside and outside of the coastal zone, but would serve to benefit anadromous steelhead, which utilizes entire stream systems, both within and outside the coastal zone, to complete its life cycle.

§31252 requires that all areas proposed for resource enhancement by a local entity be identified in the certified local coastal program (LCP). The proposed project area is identified in the San Luis Obispo County certified LCP as requiring public action to resolve existing or potential resource protection problems. See further discussion below under the "Consistency with Local Coastal Program" Section.

Pursuant to §31253, the Conservancy may provide up to the total cost of any coastal resource enhancement project. In determining the amount of Conservancy funding for this project, the factors identified in §31253 have been considered and applied, as described in detail below, under the heading "Consistency With Conservancy's Project Selection Criteria & Guidelines."

**CONSISTENCY WITH CONSERVANCY'S
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 5, Objectives A & B**, of the Conservancy's Strategic Plan, the project would serve to enhance Santa Rosa Creek, and preserve and restore habitat corridors between coastal habitats and inland habitat areas.

Consistent with **Goal 6, Objectives A & B**, of the Conservancy's Strategic Plan, the proposed project would lead to the development of future projects to restore the habitat value of Santa Rosa Creek for anadromous steelhead, and improve water quality to benefit coastal resources.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** This project has widespread support, including that of State Senator Maldonado, Assemblyman Sam Blakeslee, the County of San Luis Obispo, and Cambria CSD (Exhibit 4).
4. **Location:** The proposed authorization would address steelhead habitat protection in the Santa Rosa Creek watershed. Although the watershed is located both inside and outside of the coastal zone, the project would aid in the recovery of the anadromous southern steelhead that utilizes entire stream systems, both within and outside the coastal zone.
5. **Need:** The grantee applied to DFG for project funding in 2005, but was not awarded funds. Conservancy funds are now needed to prepare the plan.
6. **Greater-than-local interest:** Protecting spawning and rearing habitat in Santa Rosa Creek for the federally listed southern steelhead is of state and national interest, and would aid in the recovery of the population.

Additional Criteria

9. **Realization of prior Conservancy goals:** The Conservancy's *Inventory of Barriers to Fish Passage in California's Coastal Watersheds* identifies improvement of fish passage in central coast watersheds as an agency goal, and this proposal would serve to further realize this goal.
10. **Cooperation:** In developing this proposal, staff of the Coastal Conservancy and the grantee have coordinated with DFG staff, Cambria CSD staff, and private landowners.
11. **Leverage:** See the "Project Financing" section above.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The proposed project is consistent with the San Luis Obispo County Local Coastal Program requiring public action to preserve coastal streams and riparian corridors. LUP Policy 18 on Environmentally Sensitive Habitats states that, "Coastal streams and adjoining riparian vegetation are environmentally sensitive habitat areas and the natural hydrological system and ecological function of coastal streams shall be protected and

preserved.” In addition, LUP Policies 1-14 on Coastal Watersheds all address actions to protect watershed resources, and Open Space Policies 18 and 19 call for protection of streams and riparian areas.

COMPLIANCE WITH CEQA:

The proposed project is statutorily exempt from review under the California Environmental Quality Act pursuant to 14 California Code of Regulations, Section 15262, in that it would involve only planning studies and feasibility analyses for possible future actions. The project is also categorically exempt under Section 15306, which exempts basic data collection and resource evaluation activities. Environmental factors will be considered in the studies undertaken pursuant to this authorization.

Upon Conservancy approval of the project staff will file a Notice of Exemption for this project.